

### **3506.304-70**

the Procurement Executive is the approval authority.

(4) For a proposed contract over \$5,000,000, the Administrator is the approval authority.

(b) Contracting officers shall consult with the Competition Advocate prior to submitting any justification for approval pursuant to paragraph (a) of this section.

### **3506.304-70 Class justifications.**

(a) Class justifications shall be approved in the same manner as individual justifications. To determine the approval level for a class justification, the aggregate estimated dollar value of all actions contemplated for one year shall be used to establish the appropriate dollar threshold for approval.

(b) The following are examples of appropriate class justifications:

(1) A basic ordering agreement (BOA) including all orders to be issued under the BOA for the term of the BOA;

(2) Contracts to be awarded to more than one contractor to provide Government-furnished property for assembly into an end item, in which case the circumstances of the class justification must justify all the contracts proposed under the justification.

(c) Requests for approval at any level must be submitted to the approval authority before release of the solicitation. The solicitation shall not be released until the justification is approved in writing (but see FAR 6.303-1(e)).

(d) The Procurement Executive shall maintain a list of products, materials, and services that have been granted a class justification for exclusive acquisition from sources in Panama (see 3506.302-4(c)).

### **Subpart 3506.5—Competition Advocate**

#### **3506.501 Requirement.**

The Administrator shall designate in writing one Competition Advocate who shall serve as the agency and procuring activities competition advocate for all Commission acquisitions.

## **48 CFR Ch. 35 (10-1-00 Edition)**

### **PART 3507—ACQUISITION PLANNING**

#### **Subpart 3507.1—Acquisition Plans**

Sec.

3507.103 Agency-head responsibilities.

#### **Subpart 3507.3—Contractor Versus Government Performance**

3507.301 Policy.

AUTHORITY: 40 U.S.C. 486(c).

#### **Subpart 3507.1—Acquisition Plans**

##### **3507.103 Agency-head responsibilities.**

(c)(1) Formal acquisition planning provided at FAR subpart 7.1 is primarily designed for complex and costly acquisitions. However, the disciplines of the prescribed planning process are useful to all acquisitions, even if on a less formal basis.

(2) Written acquisition plans shall be prepared for—

(i) All development (see FAR 35.001) acquisitions whose estimated contractual cost is \$1,000,000 or more annually;

(ii) Supply, service, and construction acquisitions whose estimated contractual cost is \$3,000,000 or more for any fiscal year. Excluded are repetitive requirements-type and fuel contracts.

(d) The Acquisition Plan (AP) shall include all subsystems, Government-furnished property, major component contractual actions, and all other contracts which have a significant effect on the total program.

(f) The planner for acquisitions requiring a formal, written plan shall be the program manager or other official having overall responsibility for the program concerned.

(g)(1) The planner shall obtain the written concurrence of the appropriate contracting officer for each acquisition plan.

(2) The Head of the Contracting Activity shall review and approve the acquisition plan and ensure that (i) the objectives of the AP are realistic and achievable, and (ii) solicitations and contracts are appropriately structured to equitably distribute the technical, financial, and business risks, considering the phase of the acquisition, the

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technical requirements, and business and legal constraints.

(3) Acquisition plans shall be furnished by the cognizant HCA to the Procurement Executive.

(j) When a need is urgent enough to require an unusually compressed delivery or performance schedule, and the preparation of a detailed written AP would interfere with the successful meeting of that schedule, the Procurement Executive may waive appropriate requirements of FAR subpart 7.1 and this subpart 3507.1. The waiver shall be in writing and shall specifically designate those requirements that are waived.

[55 FR 7641, Mar. 2, 1990]

### Subpart 3507.3—Contractor Versus Government Performance

#### 3507.301 Policy.

(a) For the purposes of OMB Circular No. A-76, a commercial source is defined as “a business or other non-Federal activity located in the United States, its territories and possessions, the District of Columbia or the Commonwealth of Puerto Rico, which provides a commercial product or service.” Accordingly, by virtue of the Commission’s location in the Republic of Panama, FAR subpart 7.3 is not applicable to the Panama Canal Commission because commercial services would have to be contracted out to sources located in Panama. Commission policy regarding commercial services to be contracted out to sources in Panama is set forth in paragraph (b) of this section.

(b) Commercial work and services shall be contracted out when there are available reliable local contractors and the expected cost is beneficial to the Commission. However, when commercial work/service to be done requires skills that the Commission should have and/or develop, then a careful evaluation shall be made before such work/service is contracted outside the agency. The cognizant Head of the Contracting Activity shall be the approving official for commercial work and services to be contracted out pursuant to this policy.

[55 FR 7641, Mar. 2, 1990]

## 3508.404-1

### PART 3508—REQUIRED SOURCES OF SUPPLIES AND SERVICES

Sec.

3508.001 Priorities for use of Government supply sources.

#### Subpart 3508.4—Ordering From Federal Supply Schedules

3508.404 Using schedules.

3508.404-1 Mandatory use.

AUTHORITY: 40 U.S.C. 486(c); Article IX of the Agreement in Implementation of Article III of the Panama Canal Treaty of 1977.

SOURCE: 55 FR 7642, Mar. 2, 1990, unless otherwise noted.

#### 3508.001 Priorities for use of Government supply sources.

(a) Under Article IX of the Agreement in Implementation of Article III of the Panama Canal Treaty of 1977, the Panama Canal Commission is required under certain conditions to give preference, to the maximum extent possible, to procuring supplies and services obtainable in Panama (see 3506.302-4(a), subpart 3525.8, and part 3570). Therefore, when supplies or services are to be procured from sources in Panama under the preference requirement of Article IX, the mandatory use of sources for a like item of supply or service, as required by FAR part 8, shall not be applicable.

#### Subpart 3508.4—Ordering From Federal Supply Schedules

3508.404 Using schedules.

3508.404-1 Mandatory use.

When supplies or services are procured from sources in Panama under the preference requirement of Article IX, as stated in 3508.001(a), the mandatory use of a Federal Supply Schedule for a like item of supply or service shall not be applicable. When a procurement is not made under the Panamanian preference of Article IX, and delivery or performance is to be made in Panama, the mandatory supply schedule should be carefully evaluated for the following exceptions to mandatory use:

(d) *Geographic coverage.* Each Federal Supply Schedule delineates the specific